

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

JOHN HANCOCK LIFE INSURANCE
COMPANY, JOHN HANCOCK
VARIABLE LIFE INSURANCE
COMPANY and MANULIFE
INSURANCE COMPANY,

Plaintiffs,

v.

ABBOTT LABORATORIES,

Defendant.

CIVIL ACTION NO. 05-11150-DPW

**ABBOTT'S DEPOSITION DESIGNATIONS AND COUNTER DESIGNATIONS
FOR DEIDRE DAESSEN**

Defendant Abbott Laboratories ("Abbott") respectfully submits the attached deposition designations and counter-designations for the March 21, 2007 deposition of Deidre Daesen, Assistant Portfolio Manager, Hanock.

.

.

Dated: February 18, 2008

Respectfully submitted,

ABBOTT LABORATORIES

By: /s/ Eric J. Lorenzini
Eric J. Lorenzini

Jeffrey I. Weinberger (*pro hac vice*)
Gregory D. Phillips (*pro hac vice*)
Eric J. Lorenzini (*pro hac vice*)
Ozge Guzelsu (*pro hac vice*)
MUNGER, TOLLES & OLSON LLP
355 South Grand Avenue, Thirty-Fifth
Floor
Los Angeles, CA 90071-1560
Tele: (213) 683-9100

and

Peter E. Gelhaar (BBO#188310)
Michael S. D'Orsi (BBO #566960)
DONNELLY, CONROY &
GELHAAR LLP
1 Beacon St., 33rd Floor
Boston, Massachusetts 02108
(617) 720-2880
peg@dcglaw.com
msd@dcglaw.com

Counsel for Abbott Laboratories

CERTIFICATE OF SERVICE

I hereby certify that this document(s) filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non registered participants on February 18, 2008.

Date: February 18, 2008.

_____/s/ Ozge Guzelsu

Daesen Deposition Designations

Depo Date	Witness	Hancock Designation	Abbott Counter Designation	Abbott Designation	Deposition Exhibit	Plaintiff Exhibit	Defendant Exhibit
03/21/07	Daesen, Deirdre	43:21-44:15			4		Def. IA
03/21/07	Daesen, Deirdre	49:1-49:23					
03/21/07	Daesen, Deirdre	50:3-52:11					
03/21/07	Daesen, Deirdre	56:1-60:3					
03/21/07	Daesen, Deirdre	63:18-63:23					
03/21/07	Daesen, Deirdre	64:13-65:1					
03/21/07	Daesen, Deirdre	69:15-71:6			6		Def. IB

Color Key to Deposition Designations

 **Designation by Plaintiffs**

 **Counter Designation by Defendants**

 **Designation by Defendants**

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 VOLUME 1

2 EXHIBITS 1 - 17

3 UNITED STATES DISTRICT COURT

4 DISTRICT OF MASSACHUSETTS

5 No. 05-1150DPW

6 -----

7 JOHN HANCOCK LIFE INSURANCE COMPANY, JOHN HANCOCK

8 VARIABLE LIFE INSURANCE COMPANY, and MANULIFE INSURANCE

9 COMPANY (f/k/a INVESTORS PARTNER INSURANCE COMPANY),

10 Plaintiffs

11 vs.

12 ABBOTT LABORATORIES,

13 Defendants

14 -----

15 DEPOSITION OF DEIRDRE DAESEN

16 Wednesday, March 21, 2007 10:11 a.m

17 Donnelly, Conroy & Gelharr

18 One Beacon Street, Boston, Massachusetts

19

20 Reporter: Janet M. McHugh, RMR, CRR

21 Merrill Legal Solutions

22 101 Arch Street, Boston, MA 02110

23 (617)542-0039

24

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 APPEARANCES:

2

3 CHOATE HALL & STEWART LLP

4 (By Joseph H. Zwicker, Esquire)

5 Exchange Place

6 Boston, Massachusetts 02109

7 (617)248-5065

8 Counsel for the Plaintiff

9

10 MUNGER, TOLLES & OLSON LLP

11 (By Eric J. Lorenzini, Esquire)

12 355 South Grand Avenue

13 Los Angeles, California 90071

14 (213) 683-9207

15 Counsel for the Defendant

16

17

18

19

20

21

22

23

24

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 accrue income the same as the net present value --

2 strike that -- the discount rate used to determine the

3 net present value --

4 MR. ZWICKER: Objection.

5 Q. -- of future cashflows?

6 MR. ZWICKER: Objection, vague, ambiguous.

7 A. Could you rephrase that?

8 Q. Let me just break it out a little bit.

9 You used a particular rate, an internal rate of return

10 to determine how much income to accrete from the

11 investment each quarter, correct?

12 A. Yes.

13 Q. And is that rate always the same as the

14 discount rate you use to discount future cashflows to

15 net present value to determine whether to reduce the

16 book value of the investment?

17 MR. ZWICKER: Objection.

18 A. Yes.

19 (Document Bates stamped Highly

20 Confidential JHII 021497 and 021496

21 marked Exhibit 4.)

22 BY MR. LORENZINI:

23 Q. Ms. Daesen, the court reporter has marked

24 as Exhibit 4 a document, a three-page document headed

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 "Schedule BA Project Equity/Drug Investments."

2 Do you recognize this document? Some

3 information has been redacted I'll note, but do you

4 recognize the unredacted portion of this document?

5 A. I don't specifically remember seeing this

6 document.

7 Q. Do you recognize the format of this

8 document?

9 A. It looks somewhat familiar.

10 Q. Where have you seen documents of this type

11 before?

12 A. This type of format looks -- I'm not sure

13 that it's the same, but looks like a spreadsheet for

14 measuring performance of certain deals, collecting data

15 to measure performance.

16 Q. And what is the purpose of measuring

17 performance of deals --

18 MR. ZWICKER: Objection.

19 Q. -- in the manner you just described?

20 MR. ZWICKER: Objection. Can you read the

21 question back.

22 (The pending question was read by the

23 reporter as requested.)

24 MR. ZWICKER: Do you want to try to limit

PART 2

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. You mentioned that you're familiar with
2 the term "target return" and that that is a benchmark
3 return used to measure performance of investments, and
4 I'm wondering if you know who would have been involved
5 in calculating the target return for the John
6 Hancock/Abbott Research Funding Agreement investment?

7 A. The target return used to measure
8 performance?

9 Q. Correct.

10 A. Either Scott or myself could have both
11 been involved in components of the calculation.

12 Q. And do you recall actually participating
13 in calculation of a target return for the Research
14 Funding Agreement for performance purposes?

15 A. I recall compiling some target returns for
16 a number of investments. I can't recall specifically
17 if Abbott was on that list.

18 Q. Do you recall when, approximately, you
19 compiled those target returns?

20 A. In the years 2002, 2003.

21 Q. Is it possible that you also compiled
22 target returns in 2001?

23 A. It's possible.

24 MR. ZWICKER: Objection to what is

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 possible. Don't speculate, please.

2 A. I'm not sure.

3 Q. In compiling those target returns for a
4 series of investments, how did you calculate the target
5 returns?

6 MR. ZWICKER: Objection.

7 A. The returns were calculated based on
8 treasury rates, plus a certain spread.

9 Q. Were there any other factors used to --
10 used by you to calculate the target rates, other than
11 the treasury rates and the spread?

12 A. No.

13 Q. How did you determine what treasury rate
14 to use for a particular investment in generating the
15 target return?

16 MR. ZWICKER: Objection.

17 A. It was based on the date of approval of a
18 particular deal.

19 Q. So, in other words, you looked at what the
20 yield was on a U.S. Treasury bond as of the date of
21 approval of the deal?

22 A. That's my recollection, yes.

23 Q. So, not the date that the investment was
24 actually made by John Hancock, but the date of

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 approval?

2 A. Correct.

3 Q. Did the length of the -- did the term of

4 investment play a role in determining which treasury

5 rate to use?

6 MR. ZWICKER: Objection.

7 A. Yes.

8 Q. How did the term of the investment factor

9 into your decision of which U.S. Treasury rate to use

10 in calculating the target rate?

11 A. The average life of a deal would imply

12 which treasury to use.

13 Q. So, if a deal had an average life of 15

14 years, you would use a 15-year U.S. Treasury bond?

15 MR. ZWICKER: Objection.

16 A. Yes. Or an interpolated 15-year treasury.

17 Q. And how, in calculating these target

18 rates, how did you determine which spread to use for a

19 particular investment?

20 MR. ZWICKER: Objection.

21 A. For the particular series of deals that I

22 recall doing this calculation for, I was instructed to

23 use a CCC spread, based on the average life of the

24 deal.

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. And by "CCC spread," do you mean the

2 spread over treasuries for bonds with a CCC credit

3 rating?

4 A. Yes. For investments with a CCC credit

5 rating.

6 Q. Not limited to bonds?

7 A. Yes.

8 Q. And what did you do to determine what the

9 CCC spread was for the deals that you were looking at?

10 A. I can pull that particular spread off of a

11 spread matrix.

12 Q. Would that be a spread matrix like the one

13 that we looked at before that was marked as Exhibit 1?

14 A. Something similar, yes.

15 Q. If you look back to Exhibit 1, it does

16 not --

17 MR. LORENZINI: Do you still have that?

18 Q. This particular curve does not appear to

19 list a spread for CCC credit ratings?

20 A. (Witness nodded.)

21 Q. Have you seen other versions of this curve

22 that include a CCC credit rating?

23 A. Whether it lists the rating as CAA or CCC,

24 we would consider that the same.

PART 3

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. Well, let's start with the Abbott deal.

2 Were you ever asked to provide information regarding

3 actual year-to-date income for the Abbott Research

4 Funding Agreement in connection with these performance

5 evaluations?

6 A. As I said before, I can't recall

7 specifically whether Abbott was on the list of

8 investments that I provided data to be -- that I

9 provided data to be used for performance assessments.

10 Q. Did you provide information regarding

11 year-to-date income for that group of investments that

12 you recall working on?

13 A. Yes.

14 Q. And how did you calculate the actual

15 year-to-date income for that group of investments?

16 A. I didn't do any calculation. I just

17 received reported numbers from our accounting group.

18 Q. When you were compiling this information

19 for the performance evaluation, did any of the

20 investments that you were looking at involve accounting

21 under the 99-20 method?

22 MR. ZWICKER: Objection.

23 Q. If you recall?

24 A. Yes.

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. But, you don't recall if that was the

2 Hancock investment or not?

3 MR. ZWICKER: Objection.

4 Q. The Hancock/Abbott investment?

5 A. I don't recall for sure if Abbott was on

6 the list of deals.

7 Q. Okay. But, you do recall that one of

8 them, at least one of them involved accounting under

9 the 99-20 method?

10 A. Yes.

11 Q. And for that investment, how did you

12 determine the actual year-to-date income?

13 A. I got reported historical numbers from our

14 accounting group.

15 Q. And would that be the equivalent to the

16 accrued income?

17 MR. ZWICKER: Objection.

18 A. Yes. It would be the accrued income on

19 that particular investment.

20 Q. So, it wouldn't necessarily be income

21 actually received by John Hancock, but it would be

22 income that was accrued under the 99-20 accounting

23 procedure?

24 A. Yes.

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. And for that particular investment that
2 was, that involved the 99-20 accounting method, how did
3 you calculate the excess income?

4 MR. ZWICKER: Objection.

5 A. I calculated the excess income as actual
6 income over target income. Let me clarify. Actual
7 income minus target income.

8 Q. If you turn to the second page of
9 Exhibit 4, if you look under the column "Excess
10 Income," it has "3.6."

11 Do you read that as meaning 3.6 million
12 dollars?

13 MR. ZWICKER: Objection. Lacks
14 foundation.

15 A. That is how I would read it.

16 Q. And the date on this page of the document
17 is 12/31/02. So, am I correct in reading this report
18 as indicating that as of the end of 2002, Hancock had
19 accrued income on the Abbott Research Funding Agreement
20 investment equal to 3.6 million dollars in excess of
21 the target income?

22 MR. ZWICKER: Objection.

23 A. That's what this exhibit implies. But, I
24 want to clarify, within that year.

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. Correct. And so this document indicates
2 that as of the end of 2002, the Abbott Research Funding
3 Agreement investment was performing above target?

4 MR. ZWICKER: Objection. Misstates the
5 testimony.

6 A. That's only true based on our target
7 return in this context.

8 Q. But, based on target return in the context
9 of the performance evaluations?

10 A. I can't speak for sure to the performance
11 evaluation for this particular deal. In the context of
12 this exhibit, it looks, that looks to be true.

13 Q. Do you know who was involved in creating
14 these documents that were used for the performance
15 evaluations, other than you mentioned that you provided
16 some information?

17 Do you know who was involved in creating
18 these type of documents that were used for the
19 performance reviews?

20 MR. ZWICKER: Objection. Misstates the
21 testimony.

22 A. Scott Hartz and myself were both involved
23 in collecting information on a series of deals to be
24 used for performance assessment.

PART 4

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Q. There was no one else involved?

2 A. No. Other than accounting just providing
3 numbers to me.

4 Q. And so for this particular performance
5 evaluation of the Abbott Research Funding Agreement,
6 the information here wouldn't have come from anyone,
7 other than you or Scott Hartz?

8 MR. ZWICKER: Objection.

9 A. Could you rephrase?

10 Q. This Exhibit 4 relates to the Abbott
11 Research Funding Agreement. Correct?

12 A. Yes.

13 Q. And the information in this exhibit would
14 have come either from Scott Hartz and/or you, correct?

15 MR. ZWICKER: Objection.

16 A. Yes. And we're pulling factual
17 information, to pull that together.

18 Q. From accounting?

19 A. Yes.

20 Q. And do you know who actually creates this
21 particular document? Scott and you provide the
22 information, plus some input from accounting. Do you
23 know who actually assembles --

24 A. Because part of it is redacted, I can't

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Exhibit 4, now, documents like Exhibit 4?

2 MR. LORENZINI: Documents like Exhibit 4.

3 A. I don't remember the exact date that it

4 started, but probably year end, 2001.

5 Q. And you don't know of anyone else, who had

6 responsibility for creating documents like Exhibit 4

7 for the purpose of performance evaluations in the 2000,

8 late 2001 to 2003 time period?

9 MR. ZWICKER: Anyone else in all of John

10 Hancock? Anyone else involved in --

11 MR. LORENZINI: Joe, no coaching, please.

12 MR. ZWICKER: Can you answer that

13 question? As to what anybody else in the entire --

14 MR. LORENZINI: Joe, state your objection

15 and that's it.

16 A. I can't speak to whether anyone else

17 creates documents like these.

18 Q. It was your understanding that you were

19 generally responsible for creating documents like

20 Exhibit 4 to assess the performance of investments?

21 MR. ZWICKER: Objection.

22 A. I was responsible for creating a document

23 like that for a specific group of investments.

24 Q. What do you recall -- well, how many

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 investments were involved in that assessment you did?

2 MR. ZWICKER: Objection.

3 A. I don't know the exact number. I haven't

4 done this in a number of years. Around 10 or 15

5 investments.

6 Q. And you already testified that at least

7 one of them involved accounting under the 99-20 method?

8 A. Yes.

9 Q. Did more than one involve accounting under

10 that method?

11 MR. ZWICKER: Objection.

12 A. Yes.

13 Q. Do you remember any specifics regarding

14 the type of investments? Did they -- were they bonds?

15 A. They were not.

16 Q. What type of investments were they?

17 A. At the time, they would be classified as

18 project equity, CBO equity type of investments.

19 Q. And the Research Funding Agreement was

20 classified at that time as a project equity investment,

21 correct?

22 MR. ZWICKER: Objection.

23 A. It would fall under a classification at

24 the time of private equity, as would project equity or

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 CBO equity.

2 (Document Bates stamped

3 Confidential JH 003549

4 marked Exhibit 5.)

5 BY MR. LORENZINI:

6 Q. Take a moment to look at what has been

7 marked as Exhibit 5, please.

8 (Witness complies.)

9 Q. Ms. Daesen, you're not on this document.

10 You're not one of the authors or recipients on

11 Exhibit 5, but I just want to ask you a couple of

12 questions using this as a reference. Who is Joan

13 Uzdavinis?

14 A. She's an employee at John Hancock.

15 Q. And what is her position?

16 A. Current or at the time?

17 Q. What was her position as of January, 2002,

18 if you know?

19 MR. ZWICKER: Don't read the document.

20 He's asking you if you know.

21 A. She was an employee in the global

22 investment strategy group.

23 Q. Did she have any role, to your knowledge,

24 in creating these performance assessment documents that

PART 5

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 Exhibit 2?

2 MR. ZWICKER: Objection. Why don't we put
3 it in front of her.

4 A. No.

5 Q. And what documents did you create in the
6 process of conducting the 99-20 analysis on the Abbott
7 Research Funding Agreement?

8 A. I don't recall specific documents being
9 created. I recall e-mail correspondence with the
10 accounting group to provide the accounting results of
11 that calculation.

12 Q. You didn't create any spreadsheets or any
13 other type of documents to conduct analysis?

14 A. I can't recall.

15 (Document Bates stamped
16 Confidential JH 002659 marked Exhibit 6.)

17 BY MR. LORENZINI:

18 Q. You have before you what has been marked
19 as Daesen Exhibit No. 6, which is an e-mail between you
20 and Stephen Blewitt and Scott Hartz. Do you recognize
21 this e-mail?

22 A. I don't remember specifically sending this
23 exact e-mail.

24 Q. Do you have any reason to doubt that you

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 sent it?

2 A. No.

3 Q. If you look at the top portion, it says,

4 "Hi, Steve. I just wanted to check back on what IRR to

5 assume when we book income in first quarter. Right now

6 we're assuming 13 percent." And this e-mail, the

7 subject line is "Abbott Labs."

8 Do you recall that you assumed an IRR of

9 13 percent initially for the purposes of the 99-20

10 analysis on the Abbott Research Funding Agreement?

11 MR. ZWICKER: Objection.

12 A. I don't recall specifically which, what

13 particular IRR we assumed initially.

14 Q. Do you have any reason to doubt based on

15 looking at this e-mail that you were assuming

16 13 percent as of March 26, 2002?

17 A. No.

18 Q. How did you determine that you should use

19 a 13 percent IRR for the purposes of booking income --

20 MR. ZWICKER: Objection.

21 Q. -- on the Abbott research funding

22 agreement?

23 MR. ZWICKER: Objection.

24 A. I didn't determine what IRR to use. I

Daesen, Deirdre (Linked) (Not Videotaped) 3/21/2007 10:11:00 AM

1 simply collected and used the IRR to do a calculation.

2 I simply collected the appropriate IRR to use and did

3 the calculation.

4 Q. Who did you collect the appropriate IRR

5 from?

6 A. Steve Blewitt.

7 Q. Steve Blewitt testified that although the

8 expected rate of return at the time the Abbott Research

9 Funding Agreement was approved by the bond investment

10 committee was 17-and-a-half percent, that he determined

11 that they should initially use an IRR of 13 percent for

12 the 99-20 analysis for conservatism purposes.

13 Do you have any reason to doubt the accuracy

14 of that statement by Mr. Blewitt?

15 MR. ZWICKER: Objection. Lacks

16 foundation.

17 A. I can't speak to that accuracy of someone

18 else's testimony.

19 Q. But, you don't have any reason to doubt

20 that that is why he chose a 13 percent IRR initially

21 for the purposes of the 99-20 analysis?

22 MR. ZWICKER: I think she answered that.

23 Asked and answered. Do you have another question? Is

24 there another question?



CHOATE HALL & STEWART LLP

May 3, 2007

Joseph H. Zwicker
(617) 248-5065
jzwicker@choate.com

BY REGULAR MAIL

Gregory D. Phillips, Esquire
MUNGER, TOLLES & OLSON LLP
355 South Grand Avenue, 35th Floor
Los Angeles, CA 90071

Re: John Hancock Life Insurance Company, *et al.*
v. Abbott Laboratories
U.S.D.C. (Mass.) Civil Action No. 05-11150-DPW

Dear Greg:

Enclosed please find the signed deposition Certificate/Errata page for Deirdre Daesen.

Very truly yours,

A handwritten signature in cursive script that reads "Joseph H. Zwicker". To the right of the signature, the word "BUT" is written in a smaller, handwritten font.

Joseph H. Zwicker

Enclosure

cc: Jeffrey I. Weinberger, Esq.
Eric Lorenzini, Esq.
Ozge Guzelsu, Esq.

CONFIDENTIAL

1 ERRATA SHEET

2 I, DEIRDRE DAESSEN, do hereby certify that I
 3 have read the foregoing transcript of my testimony, and
 4 further certify that it is a true and accurate record
 5 of my testimony (with the exception of the corrections
 6 listed below).

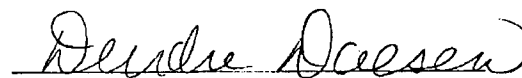
7	PAGE	LINE	CORRECTION
8	_____	_____	_____
9	_____	_____	_____
10	_____	_____	_____
11	_____	_____	_____
12	_____	_____	_____
13	_____	_____	_____
14	_____	_____	_____
15	_____	_____	_____
16	_____	_____	_____
17	_____	_____	_____
18	_____	_____	_____
19	_____	_____	_____

20 Signed under the pains and penalties this 12th
 21 day of APRIL, 2007.

22

23

24



DEIRDRE DAESSEN

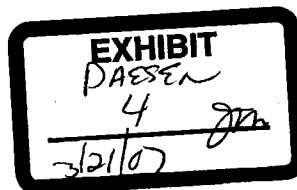
Deposition Exhibit 4

Schedule BA Project Equity/Drug Investments -- 12/31/01 YTD

Quarter: 4

CoF date	Name	Commitment Amount	12/31/00 book value	12/31/01 book value	Rating	avg life	CCC target spread	target return	funding date	Average YTD book value	target YTD income	actual YTD income	excess income	YTD loss on writedown	Total Gain(Loss)
10/10/2000	Abbot Labs	214.0	-	-	Ba2	10	863	12.6%	not yet	\$	\$	(0.1)	(0.1)	(0.1)	(0.1)

REDACTED



HIGHLY CONFIDENTIAL
JHII 021497

Book1

Schedule BA Project Equity/Drug Investments - 12/31/02 YTD

Quarter: 4

CoF date	Name	Commitment Amount	12/31/01 book value	12/31/02 book value	Rating	avg life	CCC target spread	target return	funding date	Average YTD book value	target YTD income	actual YTD income	excess income	YTD loss on writedown	Total Gain/(Loss)
10/10/2000	Abbott Labs	214.0	-	48.5	Ba2	10	662	12.8%	1/17/02	\$ 23.3	\$ 2.9	\$ 8.5	\$ 3.6		3.6

REDACTED

Book1

P:\Data\Book1

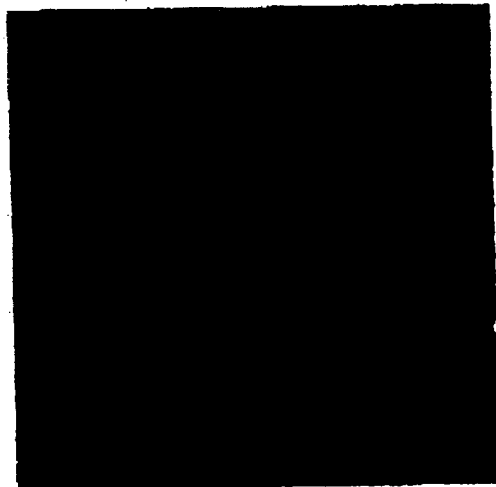
HIGHLY CONFIDENTIAL
JHII 021498

Schedule EIA Project Equity/Drug Investments - 4Q03 YTD

Quarter: 4

CoF date	Name	Commitment Amount	12/31/02 book value	12/31/03 book value	Rolling avg BtP	OCC target spread	target return	funding debt	Average YTD book value	target YTD income	actual YTD income	excess income	YTD loss on rolldown	Total Gain(Loss)	Analyst	
10/10/2000	Abbott Labs	214.0	46.5	99.8	842	10	962	12.8%	1/17/02 \$	73.0 \$	9.2	10.9 \$	1.4	(11.5)	(10.1)	SJB

REDACTED



EquityCIP 4Q03.xls

Deposition Exhibit 6

RE: Abbott Labs

Page 1 of 1

From: Mangan, Deirdre [ddaesen@jhancock.com]
Sent: Tuesday, March 26, 2002 6:04 PM
To: Blewitt, Stephen
Cc: Hartz, Scott
Subject: RE: Abbott Labs



Hi Steve,
I just wanted to check back on what IRR to assume when we book income in 1st quarter. Right now we're assuming 13%. Is that appropriate? Thanks.

-----Original Message-----

From: Mangan, Deirdre
Sent: Monday, March 18, 2002 5:30 PM
To: Blewitt, Stephen
Cc: Hartz, Scott
Subject: Abbott Labs

Hi Steve,

With respect to Abbott Labs, we are trying to project income and had a few questions:

1) We have already funded \$50 million in this deal, but the original report said listed a \$220 million commitment. Do you have any idea how much more will be funded and when?

2) This investment will probably follow the EITF 99-20 accounting method, which is the method used by the Equity CBOs. It involves stating an expected IRR and booking income in accordance with that IRR. Then, cash flow projections are used each quarter to determine whether the Book Value needs to be written down in order to maintain the stated IRR.

What IRR should we assume for booking income on this investment? Accounting will need to know the IRR in order to book the first quarter income (which they are trying to do during the next week). Also, at some point we'll need to work out with you a process to obtain cash flow projections each quarter.

Thanks,

Deirdre

Deirdre Mangan
John Hancock Financial Services
Bond & Corporate Finance
(617) 572-5542

CONFIDENTIAL
JH 002659

